



## **Food Assistance through the Commodity Credit Corporation**

### ***Commodity Purchases and Donations***

USDA's Farm Service Agency (FSA) administers farm commodity, farm credit, and resource conservation programs for farmers through a nationwide network of State and county offices. The Commodity Credit Corporation (CCC) is a wholly-owned Government corporation within USDA which provides funding for farm programs, and for the purchase, storage, and disposal of surplus agricultural commodities owned by the Federal Government. FSA personnel act as administrative agents who manage CCC's inventory of bulk and processed commodities.

FSA personnel purchase U.S. farm products and foods for domestic nutrition and food assistance programs that help individuals in need. In addition, FSA personnel procure commodities for humanitarian aid efforts overseas. FSA's Kansas City, Missouri, office is responsible for the procurement, storage and transportation of food commodities to fulfill USDA program commitments. Private industry works in partnership with FSA and other government agencies to supply the various programs with high-quality, nutritious products that meet program requirements.

### ***Export Programs***

FSA purchases commodities for use in the P.L. 480 Title II and III "Food for Peace" program administered by the Agency for International Development, the "Food for Progress" program, the McGovern-Dole International Food for Education and Child Nutrition program and the Section 416 (b) program administered by Foreign Agricultural Service. The purchased commodities provide nutritious foods for those people unable to provide for themselves. FSA purchases these commodities through competitive bids.

Commodities procured for use in these programs include processed grain products such as bulgur, wheat flour, and cornmeal; blended foods such as wheat-soy blend and corn-soy blend; and pulses such as peas, beans, and lentils. Also included are milled rice; vegetable oil; whole-kernel grains, such as wheat, corn, and sorghum; and dairy and peanut products. Commodities may be provided directly from Government-owned stocks when surplus commodities are available in inventory.

FSA's commodity managers, working with other Federal agencies and international organizations, deliver more than 4.0 million metric tons of grain and food products (valued at more than

\$1.0 billion) each year to relief programs throughout the world. (See *Export Program FY 2005 Chart 1*)

### ***Domestic Food Assistance***

FSA and other USDA agencies purchase and deliver foods for various domestic food distribution programs. These include national school lunch, school breakfast, child and adult food care, summer food service, elderly feeding, charitable institutions, Indian reservations, emergency food assistance, and special supplemental food for women, infants, and children. Products purchased by FSA include reduced-fat Cheddar cheese, lite Mozzarella, low-fat macaroni and cheese, reduced-fat peanut butter, reduced-fat bakery mix, and cereal products with reduced sodium. See *Domestic Program FY 2005 Chart 2*

FSA also exchanged 24.5 million pounds of nonfat dry milk for pudding, ultra high temperature milk, ready to eat soup, and nutritional bars which were distributed to nonprofit organizations under the National Nonprofit Humanitarian Initiative. FSA is often called upon to quickly provide food aid for emergency situations such as hurricanes, floods, and other natural disasters,

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and to mitigate chronic food shortages overseas. In 2005, after Hurricane Katrina devastated the Gulf Coast, FSA purchased more than \$6.8 million worth of food for the disaster victims. In addition, FSA coordinated the delivery of 26 truck loads of food from USDA warehouses. Overall, FSA purchased or shipped more than 300 truck loads of food for Hurricanes Dennis, Katrina, and Rita.

For information on FSA commodity operations, including purchase announcements and invitations to bid, contact either of the following offices:

Director, Commodity Procurement Policy and Analysis Division, Commodity Operations, USDA-FSA-Stop 0551, P.O. Box 2415, Washington, DC 20013, telephone: (202) 720-5074.

USDA-FSA, Director, Kansas City Commodity Office, P.O. Box 419205, Kansas City, MO 64141-6205, telephone: (816) 926-6301.

<b>Chart 1</b>		
<b>Export Programs FY 2005</b>		
<b>Commodity</b>	<b>Quantity</b>	<b>Value</b>
	<b>(1,000 metric tons)</b>	<b>(million dollars)</b>
Processed Commodities	629.9	\$165.3
Grain	2823.6	\$431.9
Peas, Beans, Lentils	249.4	\$91.7
Vegetable Oil	282.0	\$216.3
Miscellaneous	52.1	\$100.3
<b>TOTAL</b>	<b>4036.9</b>	<b>\$1005.6</b>

<b>Chart 2</b>		
<b>Domestic Programs FY 2005</b>		
<b>Product Group</b>	<b>Quantity</b>	<b>Value</b>
	<b>(million pounds)</b>	<b>(million dollars)</b>
Dairy	208.2	272.7
Corn	6.0	.9
Processed Cereal	9.7	2.8
Ready-to-eat Cereal	14.9	18.8
Flour	73.0	12.6
Macaroni and Cheese	.8	.4
Pasta	40.7	12.5
Peanuts	31.4	20.9
Rice	37.1	8.1
Vegetable Oil	40.3	16.4
Rice Cereal and Formula	.8	1.6
Saltine Crackers	.5	.3
Sunflower Seed Butter	.4	.6
<b>TOTAL</b>	<b>463.8</b>	<b>368.6</b>

Source: PCIMS – Deliver order and contract information

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